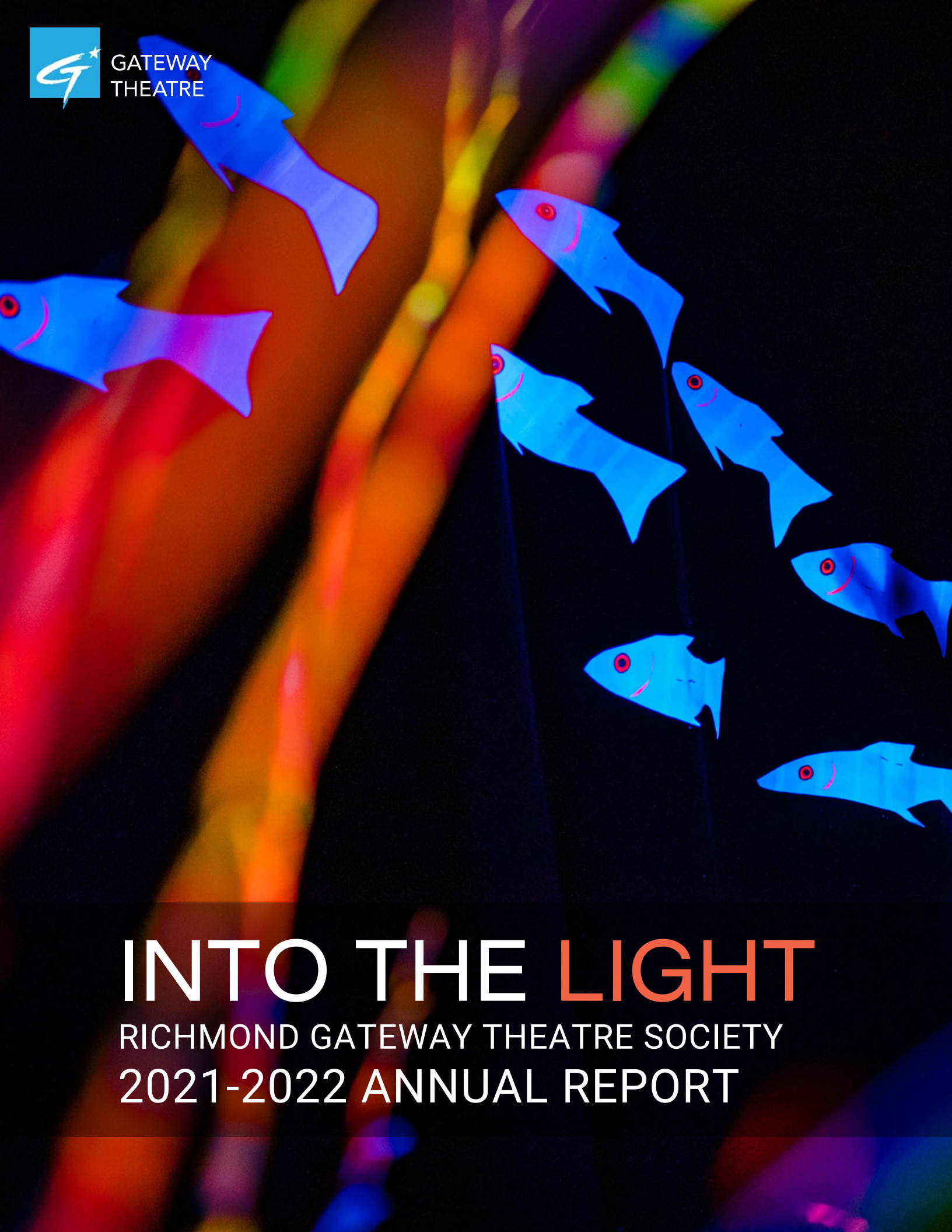




GATEWAY
THEATRE



INTO THE LIGHT

RICHMOND GATEWAY THEATRE SOCIETY
2021-2022 ANNUAL REPORT

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Cover images: *Into the Light* (2022). Created by Marina Szijarto & Stephanie Wong.

GREETINGS FROM THE MAYOR



On behalf of City Council and the residents of Richmond, I would like to extend sincere greetings to all the readers of the Richmond Gateway Theatre Society 2021-2022 Annual Report. The Gateway Theatre is one of the largest theatre companies in Metro Vancouver and Richmond's only live professional theatre.

I would like to acknowledge the work that the Gateway has recently undertaken to begin to adapt and change with the times, looking for new ways to connect with Richmond's varied and culturally diverse residents. The new initiatives are exciting and progressive, and I commend the board and staff for their work.

Thank you to all the volunteers, society members, and staff for your strong commitment to the Gateway Theatre. Best wishes for continued success!

Malcolm D. Brodie
Mayor

OUR MISSION

To enrich the quality of life in Richmond and surrounding communities by creating outstanding professional theatre and a dynamic hub for the performing arts.

OUR VALUES

- We engage in long term and reciprocal relationship building with patrons and our community
- We actively participate in our community
- We are committed to openness and inclusivity
- We acknowledge our past whilst building our future and commit to ongoing responsiveness and adaptation
- We hold ourselves accountable, as an organization, to our community and to our values
- We see Performing Arts as essential and as our primary means of expression

WELCOME MESSAGE

During the 2021/2022 year, we started to welcome more patrons back in person, and our focus at Gateway was connecting with our community in new ways. As our report outlines, this took the form of different kinds of artistic offerings, events for new audiences, and artistic experiences in novel locations. Meanwhile, our Academy programming proceeded throughout the pandemic, and spring 2022 saw the welcome return of many community rental events.

As an addition to Gateway's traditional productions, our new artistic offerings engaged a broader representation of the Richmond community, increasing people's awareness of us and of the pleasure that the live performing arts bring to all our lives. Whether it was outdoor concerts, a pop-up Hallowe'en stage at Aberdeen Centre, or an immersive Lunar New Year lantern installation, this was a year of joyful experimentation.



Patrons enjoying a live performance in the Gateway Theatre Grove at *Songs of Summer* (2021).

GATEWAY'S 2021-2022 IMPACT



ARTISTIC OFFERINGS

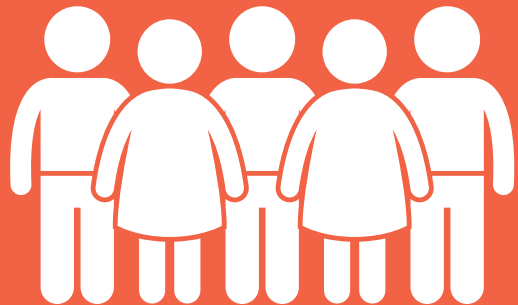
5 SHOWS

36 PERFORMANCES

3,223 ATTENDEES

2 COMMUNITY
ENGAGEMENT EVENTS

615 ATTENDEES



COMMUNITY RENTALS

8 COMMUNITY EVENTS

2,241 ATTENDEES

EDUCATION

504 HOURS DELIVERED

208 YOUTH ENGAGED



SONGS OF SUMMER

JULY 10 & AUGUST 14, 2021

Featuring local performing artists, Amanda Sum, Tiana Jung, and Jason Sakaki, these sunset serenades reunited Gateway audiences with the joy of live performance in the Gateway Theatre Grove, a pleasant patch of grass just outside the theatre.



Patrons enjoying live music at Songs of Summer (2021).



A very enjoyable evening, supporting the arts and local talent. A wonderful night!" – Patron



Well run, beautiful night, great to see these young performers in such an intimate setting." – Patron

HALLOWS' EVE

OCTOBER 23, 24, 30, AND 31, 2021

Our free, family-friendly event event brought the whimsical world of *Hallows' Eve* to life. This life-size re-creation of last year's *Hallows' Eve* paper theatre kit included a cast full of fun-loving, adventurous characters and brought the Halloween spirit to the Gulf of Georgia Cannery and Aberdeen Centre. Families created magical moments as they stepped into this enchanting set, beautifully illustrated by local artist Keely O'Brien.



A family posing with the *Hallows' Eve* pop-up theatre at Aberdeen Centre (2021).

S.U.C.C.E.S.S. PLAY READINGS

NOVEMBER 17 AND 22, 2021

Gateway Theatre hosted three online play readings for S.U.C.C.E.S.S language learning levels 7 and 8. Each class had the opportunity to read excerpts from JD Derbyshire's play *Certified*, which was presented at Gateway Theatre in Studio B in March, 2022. Students read the play's script, discussed the play's topics, and practiced their public speaking skills. Through the play reading, students engaged with relevant themes of mental health, peer support, and self-discovery.



Staff and students at the S.U.C.C.E.S.S. Play Reading (2021).

A BROADWAY HOLIDAY

Created by Christopher King & Barbara Tomasic, Musical Direction by Jenny Andersen, Stage Direction by Barbara Tomasic

DECEMBER 16-23, 2021

In December 2021, we treated patrons to festive hits "Let it Snow", "Sleigh Ride", "White Christmas", and more from popular Broadway shows. Performed by seven talented singer-musicians, *A Broadway Holiday* celebrated everything we love about Broadway, the holiday season, and most importantly, being together in-person at our beloved theatre once again.



Cast of *A Broadway Holiday* (2021). Production Design by Sophie Tang. Costume Design by Melicia Zaini.
Photo by David Cooper.



It's a really nice mix of what this season is about—things like food, being together, generosity and kindness, but also celebrating the music from these Broadway shows. – Richmond Sentinel



We loved the music and the professional singers & musicians really brought the fun holiday spirit to us during the pandemic. Thank you to Gateway staff for bringing this show to our community. – Patron

INTO THE LIGHT

Created by Marina Szijarto & Stephanie Wong

FEBRUARY 18-20, 2022

Into the Light was an all ages, immersive, walk-through experience that brought a unique approach to Lunar New Year, a holiday celebrated by many in the Richmond community. Attendees were immersed in the ancient tale of the sea-monster Nian (年), and embarked on a journey through the darkness and fear, into celebration and light.



Into the Light (2022). Created by Marina Szijarto & Stephanie Wong.



Loved it! I loved that there was an overview of the story at the beginning before the walk-through. I enjoyed the tangible experience of making a lantern and metaphorically creating my own light. And I was pleasantly surprised there was a shrine and the basket of red envelopes was a nice touch to exit with.” – Patron

CERTIFIED

Written and performed by JD Derbyshire, Directed by Roy Surette

MARCH 8-19, 2022

In *Certified*, comedian and certified insane person JD Derbyshire turned the audience into a mental health review board in this memoir-play, breaking the stigma around mental health. It was an irreverent, fun, hilarious, and heart-aching journey through the mental health system in Canada.



JD Derbyshire in *Certified* (2022). Lighting Design by Jillian White. Photo by Ben Laird.



JD Derbyshire's Certified brought me closer to a section of population that I know so little about. The performance was engaging, and there was no one second that I wasn't captivated by their story. – Patron



Certified was exactly the type of theatre we expect from a venue like the Gateway Theatre. It was intimate, engaging, surprising and dynamic theatre excellently performed. – Patron

IN WONDERLAND

By Anna Cumber, Directed by Haysam Kadri

APRIL 7-16, 2022

To close our 2021-2022 season, we delighted audiences with the BC premiere of *In Wonderland*, produced by Alberta Theatre Projects. In this imaginative and contemporary retelling of Lewis Carroll's classic novels, *Alice's Adventures in Wonderland* and *Through the Looking Glass*, three actors Sarah Roa, Natascha Girgis, and Graham Percy fantastically portrayed the story's iconic characters, transforming right before the audiences' eyes.



Graham Percy, Natascha Girgis, Sarah Roa in *In Wonderland* (2022). Set & Costume Design by Hanne Loosen. Lighting Design by Alexandra Prichard. Photo by Ben Laird.



Extremely well done, the acting was fantastic, and the interpretation of the story beautifully done. Amazing role changes of the actors, also very humorous.” – Patron



Great show! Between 2 and 65 years old, we all enjoyed the show. It was an exciting evening.” – Patron

EDUCATION

In 2021-2022, we were delighted to increase the capacity of our programs, while ensuring the safety of our students and instructors. We reintroduced our Secondary School Outreach Program by serving four drama classes in one session. Participating schools attended the same matinee performance of *In Wonderland*, followed by an active exclusive post-show talkback focused on careers in theatre with artists and Gateway staff.

Our Academy program expanded class sizes, offering Acting and Musical Theatre summer camps and Fall/Winter sessional classes. We successfully introduced accompanists who augmented our musical theatre classes. Thanks to them and our instructors, our students grew their ensemble, acting, singing and dancing skills, and built confidence. Each summer camp culminated in a presentation, and each sessional class culminated in an Open Studio, where families had the opportunity to participate in class.



Musical Theatre presentation (2022).



Academy Summer Camps presentation (2021).



Gateway Academy provides a wonderful environment for [youth] to shine, offering a safe space for them to express their creativity and push their comfort levels with individual performance, collaborative works, and ensemble pieces."

– Academy Parent



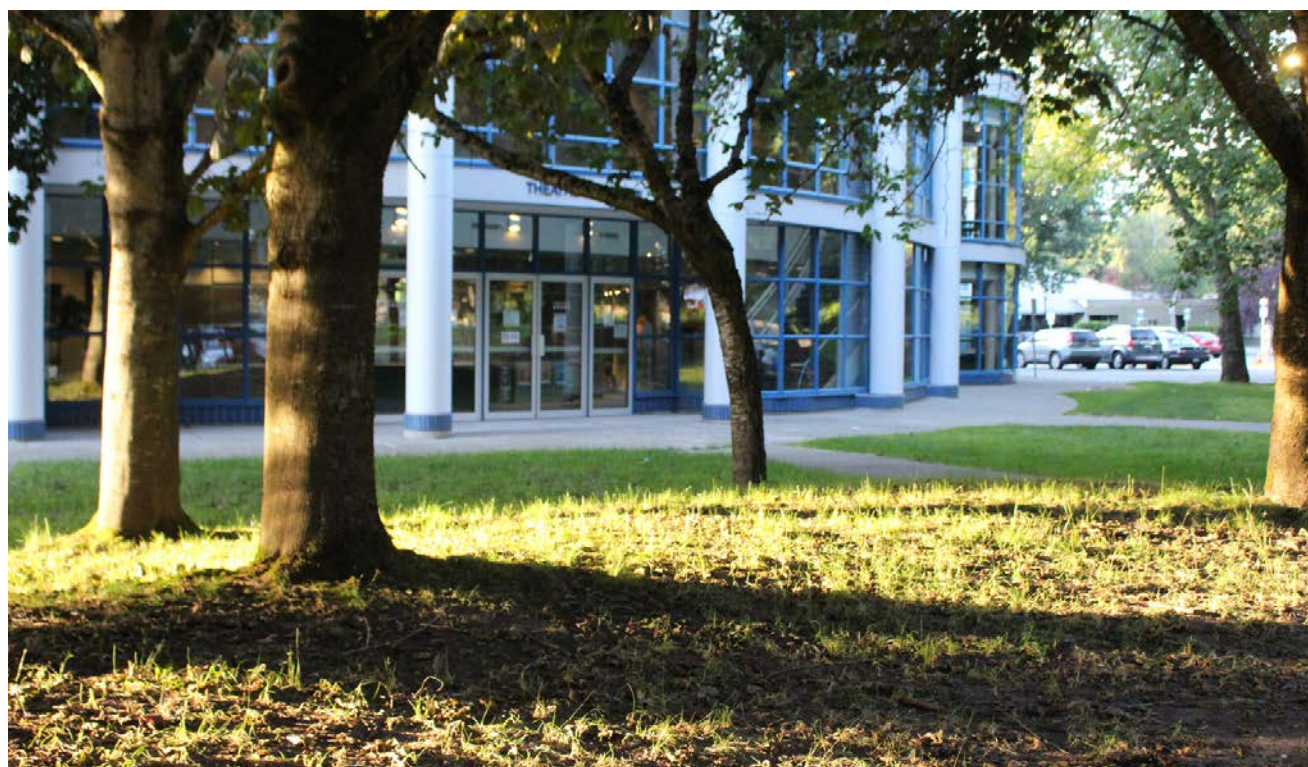
Gateway Academy programs have always provided our kids with positive theatrical experiences in both Acting and Musical Theatre. They have enjoyed their classes thoroughly and applied some of the skills they learned in other avenues of their lives." – Academy Parent

COMMUNITY RENTALS

The last time we hosted community rentals was in 2019. Unfortunately, due to the COVID-19 pandemic, we were not able to host rentals in 2020 and 2021. In the first half of 2022, we were thrilled to finally welcome back our community rental partners to Gateway Theatre. We operated at reduced capacity and observed health guidelines according to government guidelines, ensuring the safety of our community partners and patrons. Although we could not accommodate all requests as a result of this, it was amazing to see and collaborate with some members of our rental community. In the 2022-2023 year, we hope to work with and welcome more of our community partners and patrons into the theatre.

We are grateful to have collaborated with:

- Canada Chain Commerce and Cultural Association
- City of Richmond – Arts Awards
- City of Richmond – Sports Awards
- Dance Co.
- Defy Gravity Dance Company
- Richmond Delta Youth Orchestra
- Vancouver Academy of Dance
- Vancouver XiMu Musical Arts Academy



BOARD OF DIRECTORS

Clayton Rubinstein
Debbie Musil
Diane Purvey, Chair
Fiona Gan, Treasurer
Jacqueline Ho, Secretary

Jane Fernyhough
Jonathan Wong
Julia Kwan
Kali McAndless
Veronica Armstrong

Chak Au, City Council Liaison

STAFF

Avrel Zimmerman Festinger
Ayomide Gbadamosi
Barbara Tomasic
Caitlin Fysh
Camilla Tibbs
Cecilia Chen
Christopher "Mac" MacLeod
Darren John
Emily Schoen
Jasmine Chen
Jessica Wong
Johnny MacRae
Lauren Stewart
Lisa Brown
Lynn Zhou
Marnie Wilson
Mary Cantelon
Masha Birkby
Mesfin Ayalew
Mirjana Galovich
Oona Iverson
Paul Bartlett
Queen Leung
Renee Fajardo
Ruth McIntosh
Samara Van Nostrand
Susan Tarrant
Wendy Tsui
Yanting Qiu
Yusely Chan

Programs Assistant
Marketing Coordinator
Director of Artistic Programs
Artistic Producer
Executive Director
Front of House Attendant
Production Services Associate
Venue Technician
Box Office Supervisor
Artistic & Community Producer
Box Office Supervisor
Administrator
Venue Technician
Front of House Supervisor
Finance Manager
Publicist
Venue Technician
Production Services Manager
Building Services Associate
Director of Audience & Revenue Development
Patron Services Manager
Building Services Supervisor
Accounting Clerk
Programs Coordinator
Education Manager
Associate Manager
Fund Development Manager
Marketing Manager
Associate, Marketing & Fund Development
Front of House Supervisor

ACADEMY FACULTY

Amanda Testini
Emily Jane King
Eri Kikuchi, Accompanist
Julia Ullrich
Mac Gordon
Malissa Palliyaguru
Manami Hara
Nathan Kay
Nicola Davies, Accompanist
Raugi Yu
Rebecca Paulding

VOLUNTEERS

Abhay Kesarkar
Anna Dalupan
Annie Cheung
Annie Coblin
Ashley Newcomb
Barb Ingram
Barbara Stokes
Beryl Aconley
Bonita Ruttkay
Bonnie Baker
Bonnie Goss
Brigitte Knapen
Cathy Willis
Cecelia Holcapek
Chris Steele
Dominic Lai
Doug Symons
Elizabeth Waroway
Ellen Wong
EveLynne Gilmore
Francoise Varnes
Fraser Muir
Gail Waller
Glenda Sherlock
Grace Jampolsky
Ina Kuramoto

Isabel Kurzawski
Jackie D'Souza
Jane Wong
Jason Villareal
Joyce Dubin
Juanji Bernardo
Judy Westacott
Kajal Kajal
Karen Shimokura
Kary Taylor
Kelin Tan
Lauren Craze
Lesley Walker
Margaret Stutt
Marge Symons
Marilyn Piccinin
Martina Tang
Meg Comiskey
Michelle Jackson
Nazira Saferali
Neil Ma
Nettie Aronius
Odette Rivers
Paula Boleen
Peter D'Souza
Rosemary Ng

Ruth Archer
Ruth Reeves
Sandy Harvell
Sarjit Sekhon
Shoshana Hofman
Sonja Hill
Sue Tucker
Suriya Naser
Susan Watson
Suzanne Wu
Taya Girard
Teresa Ko
William Kerr
Yee Louis
Yesha Quijote
Yojay Gamueda

SUPPORTERS

Thank you for supporting Gateway Theatre through another special year. We are extremely grateful to each and every one of you for your continued support and contributions which enable us to thrive. Thanks to government support on the municipal, provincial, and federal level, and support from foundations, corporate donors and individual donors, Gateway Theatre can continue to serve our beloved community.

Your financial help ensures that we can continue to provide the innovative, entertaining, and thought-provoking shows and events that our community has come to expect, as well as continue to provide a space for youth to build their talent, confidence and creative voice. Thank you again for being a big part of the Gateway Family. We couldn't do it without you. You are our heroes!

GOVERNMENT FUNDERS

The City of Richmond
BC Arts Council
Canada Council for the Arts
Department of Canadian Heritage
Human Resources and Skills Development Canada
Metro Vancouver
Province of British Columbia

FOUNDATIONS

Averbach Foundation
Edith Lando Foundation
Lohn Foundation
Louie Family Foundation
McAndless Foundation
RBC Foundation
Vancouver Foundation

CORPORATE SPONSORS

Courtyard Gardens
Dorset Realty
G & F Financial
Gilmore Gardens
Kwantlen Polytechnic University (KPU)
M & M Food Market
Oomomo Japan Living
PLLR
Richmond Chinatown Lions Club
Rotary Club of Richmond
TD Bank
Trail Appliances
Wynford Strata Management

Volunteer Program Sponsor
Community Sponsor
Community Sponsor
Volunteer Program Sponsor
Creative Team Sponsor - *Songs of Summer*
Creative Team Sponsor - *A Broadway Holiday*
Creative Team Sponsor - *Hallows' Eve*
Community Sponsor
Community Sponsor
Community Sponsor - Gateway Academy
Presenting Sponsor
Creative Team Sponsor - *Songs of Summer*
Academy Bursary Program

IN-KIND DONORS

Anna's Cake House
Sheraton Vancouver Airport Hotel

INDIVIDUAL DONORS

Patron's Circle

\$2,500+

Anne & Tom Green

Director's Circle

\$1,000 - \$2,499

Betty Goodwin

Jacqueline Ho

Diane Purvey

Camilla Tibbs

John & Gail Watson

Producer

\$500 - \$999

Chak Au

J.W. Beggs

Paula & Gordon Boleen

Elsie & Audrey Jang Fund

Tony Kimble

Kuramoto Family Fund

Ian & Marg MacLean

Lynne Perreault & Kjell Magnussen

Patricia & Chris Tipple

Anonymous (1)

Star

\$250 - \$499

Loretta & Daniel Bogert-O'Brien

Judith Coffin

Don & Denise Dale

Jane Fernyhough & Tony Davies

Fiona Gan

Ruth Goodchild

Rita L. Irwin

Keith Liedtke & Elizabeth Doyle

Kali McAndless

Alma McDonald

Debbie Musil

Peter & Valerie Reynolds

Helena Zhu

Feature Player

\$100 - \$249

Donald Anderson

Veronica Armstrong

Shirley Backaway

Ian & Arliss Beardmore

Susan L. Billingsley

Brenda Reynolds

Sheila Brew

Willia & Carell Colvin

Margaret Comiskey

Barbara Kissuras

Ronald & Marilyn Loyer

Janice Macrae

Larry Meyer

Robert Mitchell

Suzie Ong

Shirley Rampton

Gail Screaton

Susan Stolberg

Ralph & Jennifer Stuart

Ted Wormeli

Dana Zendrowski

Anonymous (2)

Supporting Cast

\$25 - \$99

Fabiana Parra-Avila

C. Bailey

Donna Baron

Brooks Family

Scott Bruce

Drew Carlisle

William Cartwright

Jason Chong

Barbara Creighton

Ashley Currie

Glen Davis

Lynne Margot Davis

Chris Emery

Mirjana Galovich

Cheryl Garner

Ian Graham

Margaret Hewlett

Elizabeth Ho

Elaine Hsu

Irwin Family

Lorraine Kaczor

Tracy Kan

Brenda Khoo

Brigitte Knapen

Julia & Andrew Kwan

Lai Hung Mak

Diane Minichiello

Alice Kwong Ng

Debbie & Sheldon Nider

Bernie Papke

Jennifer & David Price

Rachel Qian

Virginia Rovers

Rod & Laurie Scheuerman

David Sims

Tyler Sork

Hengchang Tang

Francis YK Wan

Rein Weber

Catherine Willis

Katherine Yeo

Karen & Allan Zeller

Betty Zhang

Lynn Zhou

Anonymous (6)

We make every effort to ensure accuracy in terms of individual donor acknowledgment. We apologise for any discrepancies. Please contact us at development@gatewaytheatre.com if you have any questions or concerns.

RICHMOND GATEWAY THEATRE SOCIETY
Financial Statements
June 30, 2022



BLUE FISH GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS



BLUE FISH GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS

222 — 8678 Greenall Avenue
Burnaby BC V5J 3M6

T. 604-298-5050
F. 604-298-5713

bluefish.bc.ca

INDEPENDENT AUDITOR'S REPORT

To the Members of Richmond Gateway Theatre Society

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of Richmond Gateway Theatre Society (the Organization), which comprise the statement of financial position as at June 30, 2022, and the statements of revenue and expenditures, fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Richmond Gateway Theatre Society as at June 30, 2022 and its financial performance and its cash flows for the year then ended in accordance with Accounting Standards for Not-for-Profit Organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Accounting Standards for Not-for-Profit Organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for over-seeing the Organization's financial reporting process.

(Independent Auditor's Report, continued on next page)

(Independent Auditor's Report, continued from previous page)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

As required by the Society Act of British Columbia, we report that, in our opinion, the accounting principles used in preparing and presenting the Society's financial statements are in accordance with Canadian accounting standards for not-for-profit organizations and have been applied on a basis consistent with that of the preceding year.

Blue Fish Group

Chartered Professional Accountants
Burnaby, B.C. October 11, 2022

RICHMOND GATEWAY THEATRE SOCIETY

Statement of Financial Position

June 30, 2022

	2022	2021
ASSETS		
CURRENT		
Cash and cash equivalents <i>(Note 3)</i>	\$ 952,929	\$ 850,639
Accounts and grants receivable	2,324	2,464
Inventory	8,090	8,232
Sales tax recoverable from government authorities	-	2,455
Prepaid expenses	3,324	2,067
Prepaid production and educational program expenditures	6,820	4,505
	<u>973,487</u>	<u>870,362</u>
PROPERTY AND EQUIPMENT <i>(Note 4)</i>	27,947	39,063
CASH AND TERM DEPOSITS RESTRICTED FOR ENDOWMENT FUNDS	<u>372,017</u>	<u>370,045</u>
	<u>\$ 1,373,451</u>	<u>\$ 1,279,470</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 84,213	\$ 61,760
Payroll deductions payable to government authorities	12,825	10,921
Sales tax payable to government authorities	2,270	-
Wages payable	36,472	79,109
Deferred operating revenue <i>(Note 5)</i>	298,901	399,514
	<u>434,681</u>	<u>551,304</u>
COMMITMENTS, CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES <i>(Note 7)</i>		
COVID-19 PANDEMIC <i>(Note 11)</i>		
NET ASSETS		
Unrestricted Operating fund	292,043	86,006
Internally restricted Operating Reserve fund	260,373	260,373
Internally restricted Capital Improvement fund	14,337	11,742
Internally restricted General Endowment fund	372,017	370,045
	<u>938,770</u>	<u>728,166</u>
	<u>\$ 1,373,451</u>	<u>\$ 1,279,470</u>

ON BEHALF OF THE BOARD

_____ Board Chair

_____ Director

See accompanying notes to financial statements

RICHMOND GATEWAY THEATRE SOCIETY
Statement of Revenue and Expenditures - Operating Fund
Year Ended June 30, 2022

	2022	2021
REVENUE		
Artistic Offerings revenue	\$ 72,263	\$ 13,098
Educational programs	64,393	37,847
Rental revenue	53,137	-
Bar revenue	40	-
Grants from the City of Richmond (Note 8)	1,375,581	1,359,942
Public sector grants (Note 6)	320,466	209,501
Foundation contributions	126,500	18,000
Corporate contributions	40,700	18,251
Individual contributions	23,160	37,199
Miscellaneous revenue	10,840	-
Interest income	5,758	4,177
	<u>2,092,838</u>	<u>1,698,015</u>
EXPENDITURES		
Artistic Offerings expense	216,794	58,374
Artistic development	899	17,892
Educational programs	36,226	26,077
Rental expense	18,551	-
Bar expense	357	4,374
Theatre facilities	37,536	124,148
Patron services	38,090	953
Fundraising	3,640	2,664
Marketing	152,031	50,417
Salaries and benefits	1,200,139	1,109,760
Consulting fees	21,747	24,371
Training and staff development	5,361	12,435
Legal, audit and insurance	55,245	32,018
Dues, subscriptions and memberships	11,431	9,734
Office expenses	60,730	61,543
Credit card and bank charges	12,731	6,410
Delivery, mileage, and vehicle costs (recovery)	255	(423)
Amortization of property and equipment	15,038	14,254
	<u>1,886,801</u>	<u>1,555,001</u>
EXCESS OF REVENUE OVER EXPENDITURES	206,037	143,014
EXTRAORDINARY EXPENDITURES DUE TO BUILDING RENOVATIONS	<u>-</u>	<u>3,000</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>\$ 206,037</u>	<u>\$ 140,014</u>

See accompanying notes to financial statements

RICHMOND GATEWAY THEATRE SOCIETY

Statement of Fund Balances

Year Ended June 30, 2022

	Operating fund (Page 5)	Operating Reserve fund	Capital Improvement fund	General Endowment fund	2022	2021
Revenues	\$ 2,092,838	\$ -	\$ 2,595	\$ 1,972	\$ 2,097,405	\$ 1,702,755
Expenditures	1,886,801	-	-	-	1,886,801	1,558,001
Excess of revenues over expenditures	206,037	-	2,595	1,972	210,604	144,754
Fund balance, beginning of year	86,006	260,373	11,742	370,045	728,166	583,412
Fund balance, end of year	\$ 292,043	\$ 260,373	\$ 14,337	\$ 372,017	\$ 938,770	\$ 728,166

See accompanying notes to financial statements

RICHMOND GATEWAY THEATRE SOCIETY

Statement of Cash Flows

Year Ended June 30, 2022

	2022	2021
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 210,604	\$ 144,754
Item not affecting cash:		
Amortization of property and equipment	15,038	14,254
	<u>225,642</u>	<u>159,008</u>
Changes in non-cash working capital:		
Accounts and grants receivable	141	3,003
Inventory	142	2,304
Prepaid expenses	(1,257)	4,647
Prepaid production and educational program expenditures	(2,315)	(4,505)
Accounts payable and accrued liabilities	22,452	31,376
Payroll deductions payable to government authorities	1,904	10,921
Sales tax payable to government authorities	4,725	1,557
Wages payable	(42,637)	29,324
Deferred operating revenue	(100,614)	176,717
	<u>(117,459)</u>	<u>255,344</u>
Cash flow from operating activities	<u>108,183</u>	<u>414,352</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(3,922)	(32,988)
Cash flow used by investing activities	<u>(3,922)</u>	<u>(32,988)</u>
INCREASE IN CASH FLOW	<u>104,261</u>	<u>381,364</u>
CASH - Beginning of year	<u>1,220,685</u>	<u>839,321</u>
CASH - End of year	<u>\$ 1,324,946</u>	<u>\$ 1,220,685</u>
CASH CONSISTS OF:		
Cash and cash equivalents	\$ 952,929	\$ 850,639
Term deposits, restricted for endowment funds	372,017	370,046
	<u>\$ 1,324,946</u>	<u>\$ 1,220,685</u>

See accompanying notes to financial statements

RICHMOND GATEWAY THEATRE SOCIETY

Notes to Financial Statements

Year Ended June 30, 2022

1. PURPOSE AND STATUS OF THE ORGANIZATION

The Richmond Gateway Theatre Society was founded in 1982 and is incorporated as a non-profit society under the Society Act of British Columbia and is tax-exempt as a registered charity and charitable organization under the Income Tax Act.

The Society's purpose is to enrich the quality of life in Richmond and surrounding communities by creating outstanding professional theatre and a dynamic hub for the performing arts. The direct revenue sources of the Society are not sufficient to cover its total expenditures and, as a result, the continued support of the City of Richmond is required to assist in financing the building and operating costs of the Society.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared in accordance with Part III of the Chartered Professional Accountants ("CPA") Canada handbook - Accounting, which sets out generally accepted accounting standards for not-for-profit organizations in Canada and includes the significant accounting policies summarized below.

Inventory

Inventory is valued at the lower of cost and net realizable value, using the cost on the most recent purchase invoice, as an estimate of average cost. Cost is defined as the purchase price paid by the Organization.

Property and equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization rates are designed to amortize the assets over their estimated useful lives. The amortization rates are as follows:

Computer equipment	3 years	straight-line method
Computer software	3 years	straight-line method
Office equipment and furniture	3 years	straight-line method
Theatre equipment	5 years	straight-line method

Property and equipment costing more than \$5,000 per asset, with a useful life of at least two years is capitalized and amortized in accordance with the Society's capital asset capitalization and amortization policy. In the case of a purchase of a group of similar assets, individually costing less than \$5,000, but in aggregate costing more than \$10,000, the entire group of assets will be capitalized. Full amortization is taken in the years of acquisition and disposal.

Under the terms of the agreement between the Richmond Gateway Theatre Society and the City of Richmond, certain property improvements, equipment and furniture directly acquired by the City for the use by the Society are considered property of the City and are not recorded in these financial statements.



RICHMOND GATEWAY THEATRE SOCIETY

Notes to Financial Statements

Year Ended June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks, term deposits with a maturity period of three months or less from date of acquisition, and cashable term deposits.

Revenue recognition and basis of financial statement presentation

The Society follows the deferral method of accounting for contributions and operating revenues.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection reasonably assured.

Restricted contributions received and restricted for the purposes of purchasing property and equipment are deferred and recognized as revenue in the periods in which the related amortization is recorded.

Artistic Offerings (shows, events, workshops, etc.) revenue and expenditures and Educational programs revenue and expenditures are matched whereby revenue received for future programs is recorded as deferred operating revenue and expenditures made for future programs are recorded as prepaid expenditures. Artistic Offerings and Education program revenue and expenditures are recognized in the period the program is delivered or performed.

Endowment contributions are recognized as direct increases in net assets. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

Grant revenue received from the City of Richmond is recognized as revenue in the period that the grant funding is approved for by the City of Richmond as long as the amount to be received can be reasonably estimated and collection reasonably assured.

Grants from various foundations and other government agencies are recorded as revenue in the period that the grant funding is approved for and when conditions are fulfilled.

Donations from the general public are recorded upon receipt of the donation.

Interest income and rental revenue are recognized as revenue in the period to which the income is earned on an accrual basis.

From time to time, the Board of Directors (the "Board") may impose certain restrictions on fund balances. These amounts are presented on the statement of financial position and statement of operations and fund balances. These internally restricted amounts are not available for other purposes without approval of the Board of Directors, except for the Capital Improvement fund, which requires approval from the Executive Director.

RICHMOND GATEWAY THEATRE SOCIETY

Notes to Financial Statements

Year Ended June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Operating fund

The Operating fund accounts for the Society's program delivery and administrative activities.

Operating Reserve fund

The Operating Reserve fund represents an accumulation of internally restricted resources, which are available for use based on approval from the Board of Directors. This fund is to be used to fund new initiatives and strategic investments. The fund is also available as an operating contingency to be used to fund operations during cash flow shortages, and for unforeseen expenditures. These funds may be accessed upon the recommendation of management and upon approval by the Board. The fund may not exceed 25% of the annual operating budget of the Society.

Capital Improvement fund

The Capital Improvement fund represents internally restricted resources derived from the Capital Improvement Fee (CIF) collected on all tickets and registrations for rentals and artistic offerings sold by the Society. This fund is to be used to fund the purchase and maintenance of theatrical equipment which may not otherwise be the responsibility of the City of Richmond or for which approval through the City of Richmond budget timelines are impractical. These funds may be accessed upon the approval of the Executive Director. For the 2022 fiscal year, 25% of the \$2.00 per ticket fee was allocated to the Capital Improvement fund. The other 75% portion is recorded in the Operating fund to offset ticketing software expenses.

General Endowment fund

The Society's Board of Directors has internally restricted resources for endowment purposes. Investment income on the General Endowment fund remains in the fund and can be allocated based on the Board's discretion. These internally restricted amounts are unavailable for other purposes without approval of the Board of Directors.

Measurement uncertainty

The preparation of financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary they are reported in earnings in the period in which they become known.

Contributed volunteer services

Volunteers contribute their time every year to assist the Society in carrying out its activities. The value of contributed services of a non-remunerative nature is not recognized in these financial statements.

RICHMOND GATEWAY THEATRE SOCIETY

Notes to Financial Statements

Year Ended June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Non-monetary contributed materials and services, and gift-in-kind donations

Non-monetary contributed materials and services (such as media and catering sponsorships or other services provided), and other gift-in-kind donations (except for any caveats mentioned below) are not recorded in the accounts of the Society due to the subjectivity of determining the fair value received, the subjectivity as to the fair value of the amount that would otherwise be paid by the Society, and the subjectivity of determining whether the materials and services would otherwise have been used in the normal course of the Society's operations and would otherwise have been purchased.

For gift-in-kind donations of tangible assets, such as equipment or other capital assets, the contribution may be recorded in the accounts of the Society in the following circumstances:

- When the fair value of the tangible asset can be reasonably estimated
- When the tangible asset would be used in the normal course of the Organization's operation
- When the tangible asset would otherwise be purchased
- When the fair value of the tangible asset would otherwise be the amount paid by the Organization
- When the fair value of the tangible asset is in excess of \$10,000

All other gift-in-kind donations of tangible assets contributed to the Organization are not recorded in the accounts of the Society.



RICHMOND GATEWAY THEATRE SOCIETY

Notes to Financial Statements

Year Ended June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

(i) Measurement of financial instruments

In accordance with Section 3856 of the CPA Canada Handbook - Accounting, the Society initially measures its financial assets and financial liabilities at fair value and it subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of revenues and expenditures in the period incurred.

Financial assets measured at amortized cost include cash and cash equivalents, sales tax recoverable from government authorities, accounts and grants receivable, and cash and term deposits restricted for endowment funds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, payroll deductions payable and sales taxes payable.

(ii) Impairment

Financial instruments measured at cost or amortized cost are tested for impairment when there are indicators of impairment, where applicable and determinable. When there is an indication of impairment, and the Society determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in the statement of revenue and expenditures. The previously recognized impairment may be reversed to the extent of the change, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenue and expenditures.

(iii) Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in the statement of revenue and expenditures in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight-line method.

(iv) Financial risk

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. These disclosures provide information that assist users of the financial statements in assessing the extent of risk related to financial instruments.

a) Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial assets and long-term financial liabilities approximates their carrying value based on the assumption that the Society is a going concern and thus expects to fully realize the outstanding amounts or fully repay the outstanding amounts.

RICHMOND GATEWAY THEATRE SOCIETY

Notes to Financial Statements

Year Ended June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Credit Risk

The Society provides credit in the normal course of its operations. The credit risk arises from the possibility that the patrons, renters and clients to which the Society provides services may be unable and/or unwilling to fulfill their obligations. These risks are mitigated by regular monitoring of the debtor's payment history and following up on collections.

c) Market Risk

Market risk arises from the possibility of a negative impact on revenues due to a downturn in the economy, new competition entering the market, or extraordinary circumstances such as the Coronavirus (COVID-19) pandemic. These risks are mitigated by regularly monitoring market conditions. The Coronavirus pandemic has not have a negative financial impact on the organization as funding from the various funding organizations has continued. The financial impact of programming delays, cancellations and alternative programming is not expected to have a material negative impact in the foreseeable months ahead.

3. CASH AND CASH EQUIVALENTS

The cash and cash equivalents balance also includes \$87,611 (2021 - \$77,190) which is held in a separate restricted bank account for funds received from the Province of British Columbia as it relates to a Community Gaming Grant. The funds held in this restricted bank account is restricted by way of the Community Gaming Grant for specific programming for the upcoming season.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer equipment	\$ 7,810	\$ 7,810	\$ -	\$ -
Computer software	4,675	4,675	-	-
Office equipment and furniture	9,211	9,211	-	-
Theatre equipment	135,054	107,107	27,947	39,063
	<u>\$ 156,750</u>	<u>\$ 128,803</u>	<u>\$ 27,947</u>	<u>\$ 39,063</u>

RICHMOND GATEWAY THEATRE SOCIETY

Notes to Financial Statements

Year Ended June 30, 2022

5. DEFERRED OPERATING REVENUE

Deferred operating revenue as shown on the statement of financial position is represented by funds received in grants, sponsorships and other revenues for Society activities which are allocated to the subsequent accounting period, as determined by the Society. See also the revenue recognition accounting policies under note 2.

	2022	2021
Deferred operating revenue consists of funds received as it relates to:		
Grants	\$ 274,902	\$ 364,471
Artistic Offerings	-	2,993
Education	19,499	13,550
Sponsorships	4,500	18,500
	<u>\$ 298,901</u>	<u>\$ 399,514</u>

Changes in the deferred operating revenue balance are as follows:

Beginning balance of deferred operating revenue	\$ 399,514	\$ 222,798
Less amounts recognized as revenue in the year	(379,723)	(203,995)
Add amounts received relating to the following year	279,110	380,711
	<u>\$ 298,901</u>	<u>\$ 399,514</u>

6. PUBLIC SECTOR GRANTS

Public sector grant revenue consists of amounts recognized in the year from the following organizations:

	2022	2021
B.C. Community Gaming	\$ 77,000	\$ 77,000
British Columbia Arts Council	170,520	53,610
Canada Council for the Arts	60,000	70,724
Human Resource and Skills Development Canada	9,119	4,340
Department of Canadian Heritage	3,827	3,827
	<u>\$ 320,466</u>	<u>\$ 209,501</u>

RICHMOND GATEWAY THEATRE SOCIETY

Notes to Financial Statements

Year Ended June 30, 2022

7. COMMITMENTS, CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES

The Society is approved for an irrevocable standby letter of credit issued in favour of Canadian Actors' Equity Association. The letter of credit is issued by The Bank of Nova Scotia for up to \$17,000 and represents a bond/advance payment guarantee issued on the Society in favour of Canadian Actors' Equity Association. This letter of credit is not recorded as a liability in the accounts of the Society.

Production royalties and presentation fees:

As of June 30, 2022, the Society has obligations to pay minimum royalties, presentation fees and performance fees of CDN\$13,844 to playwrights, artists, producers and licensors relating to productions taking place in the fiscal 2023 season. Royalties, presentation fees and performance fees are payable on various dates in the 2023 fiscal year, and have not been recorded as liabilities in these accounts.

Service agreements and subscriptions:

The Society is committed under service agreements for service and software hosting services. Future estimated payments on these agreements are as follows:

2023	\$	26,633
2024		3,167
	\$	<u>29,800</u>

Operating leases:

The Society is committed under a lease agreement for equipment and maintenance. Future minimum lease payments on this lease, for the next five years, are as follows:

2023	\$	12,672
2024		12,672
2025		-
2026		-
2027		-
	\$	<u>25,344</u>

8. FUNDING FROM THE CITY OF RICHMOND AND ECONOMIC DEPENDENCE

The Society and the City of Richmond operate under an agreement which has a term of January 9, 2019 to January 8, 2024.

The City of Richmond owns the theatre in which the Society is located, and the property and equipment therein, with the exception of the property and equipment included in the Society's statement of financial position. The Society is economically dependent on the support of the City of Richmond. Total funding from the City of Richmond for 2022 was \$1,375,581 (2021 - \$1,359,942).

9. INVENTORY EXPENSED IN THE YEAR

The cost of inventory expensed in the year was \$141 (2021 - \$2,304).

RICHMOND GATEWAY THEATRE SOCIETY

Notes to Financial Statements

Year Ended June 30, 2022

10. REMUNERATION

In accordance with the disclosure requirements of the Society Act of British Columbia, three employees whose total remuneration (including taxable and non-taxable benefits such as contributions to the employee's pension, medical and insurance plans, employer's portion of Canada Pension Plan and employment insurance contributions, and workers' compensation premiums) for the year exceeded \$75,000 per employee, received a total of \$294,119 (2021 - \$349,945) from the Society as remuneration for the fiscal year.

No remuneration was paid to Directors during the fiscal year.

11. COVID-19 PANDEMIC

In March 2020, the spread of the COVID-19 virus resulted in governments enacting emergency measures to control the spread of the virus. As a result, the Society took precautionary measures to maintain the safety of staff, patrons, volunteers and students. The changes included cancelling productions, redesigning the artistic programs and ceasing the rental of the facilities.

During the 2022 fiscal year, and as at the date of the signing the Auditor's Report, funding from various funding bodies has continued. As at the June 30, 2022 year-end, certain COVID-response funding is recorded in deferred operating revenue.

It is not possible to reliably estimate the duration and severity of the ongoing COVID-19 pandemic, as well as the direct and indirect impacts on the financial position and results of the Society for future periods. The Society's liquidity and ability to continue as a going concern has not been materially impacted and is not expected to be materially impacted in a negative manner into the near future, due to the continued support of funding bodies.



6500 Gilbert Road
Richmond, BC V7C 3V4
604-270-6500
info@gatewaytheatre.com
gatewaytheatre.com